

## C6. CHAPTER 6 TOOLS AND AUTHORITIES

### C6.1. CHAPTER OVERVIEW

There are many system tools and authorities available to aid in case reconciliation and to expedite case closure. DSCA meets periodically with the FMS community to review issues and constraints that are encountered during case reconciliation and closure and establishes policy to remedy the situations. DFAS also has system tools that are available for use by the IAs to aid in lifecycle case reconciliation. This chapter addresses the various system tools used to identify and track the status of FMS cases and/or lines. This chapter also addresses several authorities and policies in place to better help the closure community reconcile and close cases. The tools and authorities addressed in this chapter include the EXCOM, write-off authority, PD resolution policy, current system tools, and the future system architecture.

### C6.2. ORGANIZATIONAL ROLES AND RESPONSIBILITIES

The following serves as a general categorization of functions by organization:

#### C6.2.1. The IA shall:

C6.2.1.1. Perform all case management functions prescribed in Volume 15 of reference (b) and in reference (c).

C6.2.1.2. Optimize the use of the tools and authorities described in this chapter.

C6.2.1.3. Ensure widest possible circulation of these tools and authorities to those involved in FMS case reconciliation and closure.

C6.2.1.4. Prepare requests for write-off approvals.

C6.2.1.5. Effect write-off transactions in MILDEP systems.

C6.2.1.6. Prepare requests for the reconciliation and closure EXCOM.

C6.2.1.7. Participate in and/or facilitate conferences addressing these issues.

#### C6.2.2. The DSCA shall:

C6.2.2.1. Publish and update policies.

C6.2.2.2. Approve waivers or exceptions to policies.

C6.2.2.3. Issue tools and authorities to maximize reconciliation and closure performance.

C6.2.2.4. Solicit purchaser input and/or feedback on ways to improve these processes.

C6.2.2.5. Chair the EXCOM.

C6.2.2.6. Participate in and/or facilitate conferences addressing these issues.

C6.2.3. DFAS Denver shall:

C6.2.3.1. Perform all accounting functions, as prescribed in Volume 15 of reference (b) and in reference (c).

C6.2.3.2. Effect write-off transactions in DIFS.

C6.2.3.3. Issue tools and authorities to maximize reconciliation and closure performance.

C6.2.3.4. Participate in conferences addressing these issues.

C6.2.3.5. Serve as member of EXCOM.

C6.2.4. The DCMA shall:

C6.2.4.1. Work directly with Defense suppliers to help ensure that DoD, Federal, and allied government supplies and services are delivered on time, at projected cost, and meet all performance requirements.

C6.2.4.2. Perform contract administration, quality assurance, and inspection functions for the Department of Defense, as prescribed in references (d) and (e).

C6.2.4.3. Serve as member of EXCOM.

C6.2.4.4. Close out contracts IAW reference (n).

C6.2.5. The DCAA shall:

C6.2.5.1. Perform all contract audits for the Department of Defense, as prescribed in references (d) and (e), including final overhead rate audits required to “final” close FMS cases.

C6.2.5.2. Supply accounting and financial advisory services on contracts and subcontracts to all the DoD Components responsible for procurement and contract administration.

C6.2.6. The Office of the Under Secretary of Defense (OUSD(C)) shall:

C6.2.6.1. Publish, update, and clarify the financial management policies in Volume 15 of reference (b).

C6.2.6.2. Take part in the EXCOM.

### C6.3. FMS CASE RECONCILIATION AND CLOSURE TOOLS

A wide range of tools exists to aid in the timely and accurate reconciliation and closure of FMS cases. Some of these tools were discussed in earlier chapters, such as the case review and reconciliation matrix and checklist (chapter 2), the FMR reporting format (chapter 5), and the PSVR (chapter 5). In addition, the following publications serve as tools:

#### C6.3.1. Publications.

C6.3.1.1. This Manual (DoD 5105.65-M).

C6.3.1.2. Volume 15 and Volume 3, Chapter 11 of reference (b).

C6.3.1.3. Reference (c).

C6.3.1.4. Reference (i).

C6.3.1.5. DISAM Green Book (reference (o)).

C6.3.2. Case Financial Status Reports. Case financial status reports give a summary level analysis of the country's open FMS cases. Since their preparation constitutes one possible event for the annual case review requirement, their accuracy, completeness, and data integrity are vital. The CM participates in decisions and resolves FMS case action items resulting from information contained on the case financial status reports which are used at various meetings, conferences, and visits.

C6.3.3. FMS Reviews. (Also see section C2.6.) The discussion below focuses on using FMS reviews as a tool. The USG's primary goal is to consistently and incomparably support its purchasers. Towards this goal, thorough reviews are periodically conducted to ensure accurate and timely status on their programs. These reviews represent a significant investment of FMS resources, in terms of both time and funding. During FMS reviews, cases desired for closure, cases eligible for closure but desired for retention in "active" status by the purchaser and significant reconciliation issues are discussed, often in great detail. As such, the FMS reviews are a key source of information for communicating agreed-on decisions impacting cases. FMS reviews may be driven by a number of requirements, including:

C6.3.3.1. Purchaser Requirements. A purchaser's internal policy or legislation may require periodic information on the status of country accounts, issues, cases, and programs. Care must be taken to ensure that purchaser expectations or precedence complement the review value process; on the other hand, having a review every quarter for the past 3 years is not in and of itself sufficient. (An exception would be Program-level reviews that follow an established milestone plan.) While technologies such as Video Teleconference shall be explored when practical, personal, face-to-face dialogue may also be vital for some purchasers.

C6.3.3.2. USG Requirements. The USG has many of the same needs listed in subparagraph C6.3.3.1., above. FMS reviews are also a wonderful opportunity for advising the purchaser on updated policies and laws and current events and/or issues. Reviews show U.S. proactiveness and advocacy, as well as timely resolution and closure of issues and actions. They also show USG commitment and desire to be effective and/or efficient stewards of the purchaser's FMS resources. In addition, preparing for FMS reviews qualifies as an event that satisfies the annual case review requirement.

C6.3.3.3. Long-Term Investment. The FMS review forum may be viewed as a valuable opportunity to promote USG interests and strengthen USG sovereign relations with other countries. This is an intangible yet potentially important value factor.

C6.3.3.4. Purchaser Sophistication and/or Reliance on the USG. This may be an important factor, especially when an FMS review involves a purchaser unfamiliar with the FMS "language," policies, and procedures. Usually, these purchasers require closer USG involvement and more intensive management. These reviews may also be prime venues for educating purchasers on the FMS process. Conversely, highly sophisticated purchasers may benefit from reviews to help maintain open communications. These purchasers may, however, also be comfortable using technologies as a substitute for reviews, per se.

C6.3.3.5. Purchaser Preference. The preferences and desires of the purchaser on the conduct of reviews shall be accommodated to the extent possible. However, when those preferences are not practical and/or logical, the USG review component lead shall offer sound and reasonable alternatives. The key is to find mutually agreeable solutions that make sense.

C6.3.3.6. Uniqueness. Some reviews have evolved over time to accommodate unique requirements on the part of the purchaser, applicable weapon system, etc. These unique arrangements already in existence shall continue to be honored if they continue to add value. However, review components are invited to introduce common data element usage, standardized definitions, and reporting formats to the extent agreeable by the FMS purchaser.

#### C6.3.3.7. Criteria for all USG Attendees.

C6.3.3.7.1. Attendees shall be selected to reflect the applicable FMS review type and the corresponding level of detail involved.

C6.3.3.7.2. Each attendee must have a distinct and active role in the FMS review. The applicable USG chair ensures that each attendee does his or her separate role.

C6.3.3.7.3. Every effort shall be made to reduce the number of attendees while ensuring full coverage of all agenda topics. The review's location may impact the number of attendees present.

C6.3.3.7.4. Attendees must be fully prepared to address all agenda topics submitted in advance, and those logically anticipated to arise during the course of discussions. "Contingency" representatives are not authorized. The USG chair ensures that all invited activities have agenda topics being addressed.

C6.3.3.7.5. Attendees must be able to effectively represent their organization, not just the specific office or activity to which that attendee reports, and to speak to the issues at hand. Understandably, actions may arise for issues not known in advance and which are outside the attendee's activity per se. In those instances, the attendee must ensure follow-up with the appropriate organizational component. That said, the attendee must be knowledgeable of all overall organizational component issues known beforehand, and have the ability to clearly articulate discussion topics.

C6.3.3.8. Guidelines for Reviews. An FMS review is a culmination of extensive preparations and planning, and sets the stage for important follow-on requirements. The following guidelines apply to all reviews, regardless of level or hosting organization:

C6.3.3.8.1. Preparation. The first step in planning a review is to identify the objectives and deliverables. Performing this first step is critical for validating that the review is needed. Later preparation requirements shall involve the following:

C6.3.3.8.1.1. Deciding the review purpose.

C6.3.3.8.1.2. Conducting an internal FMS review planning meeting.

C6.3.3.8.1.3. Establishing planning milestones including a data "cut-off" date.

C6.3.3.8.1.4. Formally announcing the review.

C6.3.3.8.1.5. Establishing an agenda.

C6.3.3.8.1.6. Deciding attendees and the purchaser audience.

C6.3.3.8.1.7. Deciding the review date and logistics (i.e., location, transportation arrangements, etc.).

C6.3.3.8.1.8. Formulating (with purchaser input) the agenda topics and distributing them to all attendees in advance.

C6.3.3.8.1.9. Developing and publishing briefing and/or info paper formats.

C6.3.3.8.1.10. Developing and publishing reporting formats.

C6.3.3.8.1.11. Developing and publishing quality control checklists applicable to briefings, info papers, and reports.

C6.3.3.8.1.12. Developing Minutes preparation guidelines and/or formats.

C6.3.3.8.1.13. Confirming review funding.

C6.3.3.8.1.14. Administrative. Getting and/or knowing of security and/or country clearances, threatcon briefings, disclosure, hotel and/or flight reservations, bios, protocol issues, social events, audio and/or visual requirements, cultural primers, etc.

C6.3.3.8.1.15. Role of SAOs. For reviews hosted by the purchaser, SAOs are expected to coordinate all administrative arrangements, secure lodging and transportation, and accommodate the visiting CONUS team, however practical.

C6.3.3.8.2. Follow-on. Action items shall be tasked and other information shall be required, because of an FMS review. The following applies:

C6.3.3.8.2.1. Minutes Preparation. The USG chair ensures the timely preparation of all Minutes associated with that review. This entails oversight of and, as necessary, direct involvement with the Minutes preparation, coordination, and distribution.

C6.3.3.8.2.2. Minutes Distribution. A copy must be sent to all USG components attending the review, other organizations to which actions were assigned, the applicable DSCA Country Program Director and DSCA/CFM CFD, the SAO, and any other organizations considered appropriate by the lead component activity. Electronic transmission of Minutes is encouraged. Minutes shall be distributed within 30 days after signature.

C6.3.3.8.2.3. Action item assignments shall be distributed with the Minutes and include the Office of Primary Responsibility (OPR) for the action, what the action is, when the action is due, and what the reference number is.

C6.3.3.8.2.4. Action item follow-on reports shall be sent regularly to update all OPRs on the status of actions tasked during the review.

C6.3.3.8.2.5. Actions shall be completed in a timely manner; any delays must be identified by the OPR with a reason and revised ECD.

C6.3.3.8.2.6. Trip reports and other internal summary reports may be required.

C6.3.3.8.2.7. Tentative dates and/or location for the next review shall be decided, if appropriate. Those decisions shall be forwarded to the FMS review advisor.

#### C6.3.4. EXCOM.

C6.3.4.1. Purpose. The EXCOM supplies final resolution on financial discrepancies and imbalances relating to FMS cases and/or lines that are SSC. The EXCOM is a final arbiter of last resort only. As a general rule, cases are not presented to the EXCOM for consideration unless they are more than 2 years SSC (unless discontinued research related to a longstanding issue is requested), and meet other criteria established in the requisite documentation package (see Figure C6.F1.). Specific functions of the EXCOM include:

C6.3.4.1.1. Approving discontinued research.

C6.3.4.1.2. Finalizing case closure values.

C6.3.4.1.3. Finalizing cost components.

C6.3.4.1.4. Resolving force closure value discrepancies.

#### C6.3.4.2. Considerations.

C6.3.4.2.1. Existing FMS financial policies and procedures already accommodate certain flexibilities and managerial authorities to resolve most of the financial issues that otherwise prevent timely case closure. For example, write-off authority exists to resolve PDs of up to \$2,500 per transaction (and \$200 for all other discrepant transactions other than SDRs). Additionally, the DoD Comptroller prescribed a timeline of 90 to 120 days (depending on if the program office and DFAS are co-located) for resolving PDs before the offsetting obligation is posted. Consequently, a relatively small group of FMS cases are expected to require EXCOM resolution.

C6.3.4.2.2. The EXCOM is not a substitute for sound fiduciary safeguarding and accounting of FMS case financial transactions. Every reasonable effort to reconcile FMS cases in a timely manner and to ensure closure within prescribed timeframes is expected. While the existence of the EXCOM acknowledges that valid situations arise requiring its use, the substantive documentation requirements ensure responsibility for

financial stewardship and data integrity rests with the proponent IA and its associated personnel (e.g., CMs).

C6.3.4.3. Membership. To promote its effectiveness and efficiency, EXCOM members shall be managers responsible for overseeing responsible FMS case reconciliation and closure policies. The lead EXCOM representative from each organization shown in Table C6.T1., below, may opt to bring additional officials from that organization. Each lead representative may also designate a substitute to act on his or her behalf; the designation must be sent to the EXCOM Chair before the next scheduled meeting. Regardless of how many officials from each organization attend a given meeting, each organization has only one vote in the decision-making processes.

Table C6.T1. EXCOM Participants

EXCOM Participants	Organization
DSCA	EXCOM Chair, DSCA/FPS EXCOM Member, DSCA/OPS-ADMIN
OUSDC(C)	ODCFO, A&FP&A
DFAS	DFAS-ADY/DE
DCMA	DCMA/FB
Army	USASAC New Cumberland (AMSAC-FN-FM)
Navy	Navy IPO (02CF)
Air Force	SAF/FMBIS

C6.3.4.4. Authorities. Under reference (b), the EXCOM has and may exercise wide latitude in deciding what specific transactions, processes, and actions must be taken to bring specific FMS case reconciliation issues to a successful conclusion. The EXCOM members may not be experts in the nuances of a given situation or in the detailed nature of all supporting systems and databases. The EXCOM relies heavily on the sound recommendations brought forth by the originators of each package.

C6.3.4.5. Operating Procedures. The EXCOM usually meets on a semi-annual basis. One of those meetings is in conjunction with the yearly DSCA FMS Case Reconciliation and Closure Conference. The timeline in Table C6.T2. ensures a consistent and unbiased methodology.



Table C6.T2. EXCOM Timeline

Milestone	Timeframe	Event
A	T-60	DSCA/FPS asks for potential EXCOM candidates and announces next EXCOM meeting date.
B	T-60 to T-30	Proponent IAs or DFAS assemble EXCOM packages.
C	T-30	Proponent IAs or DFAS submit EXCOM packages.
D	T-30 to T	Individual EXCOM members review submitted packages.
E	T	EXCOM meets to review submitted packages.
F	T+30	EXCOM decision is forwarded to originators.
G	TBD	Actions by proponent IAs and/or DFAS to resolve issues based on the EXCOM decision are due.

C6.3.4.6. Documentation Requirements. The EXCOM does not generate FMS cases to be presented for consideration, nor does it assemble documentation confirming requests for EXCOM decision.

C6.3.4.6.1. All requests must start from the proponent IA. As appropriate, DFAS Denver may begin packages for review but must first coordinate with the proponent IA before formal submission to the EXCOM.

C6.3.4.6.2. The proponent IA (or DFAS Denver, with IA consent) shall prepare a “Request for Discontinued Research Approval and Case Closure Resolution” package in the format prescribed in Figure C6.F1. The reporting format has instructions for the specific documentation that must accompany the request itself.

C6.3.4.6.3. The IA’s or (DFAS Denver’s) recommendations, including rationale for those recommendations (for example, the basis for the desired ULO value), are of paramount importance.

C6.3.4.6.4. A request without the required supporting documentation is considered incomplete and is returned to the originator. To the extent possible, all packages shall be e-mailed to every EXCOM member. Alternatively, the packages may be mailed; contact the EXCOM members for mailing instructions.

C6.3.4.6.5. For speed and efficiency, the proponent IA may “bundle” requests of a similar nature for multiple FMS cases and/or lines. While individual requests need not be sent to the EXCOM incrementally, complete supporting documentation for every case and/or line being submitted for EXCOM review is mandatory. The EXCOM Chair may also limit the number of packages that may be submitted for an individual EXCOM session.

Figure C6.F1. Request for Discontinued Research Approval and Case Closure Resolution

## SECTION 1

The following SSC FMS case is submitted to the FMS EXCOM for final approval and disposition instructions.

Item	Information (entry required for all fields)
Case Identifier (Country, IA, and Designator)	XX-X-XXX
SSC Date	MM/YYYY format
Responsible IA	Organization Name
Responsible IA POC Information	POC Name, DSN phone number, office code
Date Request Submitted to EXCOM	MM/DD/YYYY format
EACC Closure Suspense date (if applicable):	MM/YYYY format

## SECTION 2

The purpose of this request is to: (Check or mark all that apply)

- \_\_\_\_\_ Approve Discontinued Research
- \_\_\_\_\_ Assign Case Closure Value
- \_\_\_\_\_ Other (elaborate with remarks here)

## SECTION 3

The EXCOM shall be used only in extreme situations, i.e., exhaustive research has been conducted with no satisfactory conclusion and/or resolution on the case closure value is not otherwise practical through normal channels. This certifies that the following efforts were undertaken but did not successfully resolve the issue, requiring EXCOM intervention for this FMS case: (Check or mark all items that apply and annotate Tab numbers associated with supporting documentation. While Tabs are not required for all items below, the package is strengthened by supplying the documentation that addresses each item. Omitting documentation for any item may result in EXCOM approval delay.)

- A. \_\_\_\_\_ All research requirements as prescribed in the DoDFMR, Volume 3, Chapter 11 were conducted. See Tab \_\_\_\_\_ / Tab Not applicable \_\_\_\_\_
- B. \_\_\_\_\_ This case qualifies for discontinued research endorsement as noted in the DoDFMR, Volume 3, Chapter 11. See Tab \_\_\_\_\_ / Tab Not applicable \_\_\_\_\_
- C. \_\_\_\_\_ The un-reconciled amounts exceed the write-off thresholds allowed in the DoDFMR, Volume 3, Chapter 11 and Volume 15, Chapter 2 OR write-off procedures do not apply. See Tab \_\_\_\_\_ / Tab not applicable \_\_\_\_\_

Figure C6.F1. Request for Discontinued Research Approval and Case Closure Resolution,  
continued

- D. \_\_\_\_\_ The DoDFMR and SAMM were thoroughly researched, yet those policies were insufficient to allow for timely closure of this case. (This item must be checked after verification of its accuracy.) Tab \_\_\_\_ is a brief description of where the policies were found to be insufficient.
- E. \_\_\_\_\_ The nature of the un-reconciled and/or unresolved amounts is documented in Tab \_\_\_\_\_. (Note: Tab required for this item. This shows the core problem the EXCOM is being requested to address.)
- F. \_\_\_\_\_ Documentation for DIFS, MILDEP legacy system, and MILDEP accounting system(s), at a minimum, is given at Tab \_\_\_\_\_. (Note: Tab required for this item, unless it is included in the Tab for item E., above.)
- G. \_\_\_\_\_ Evidence of efforts to resolve with DCMA and DCAA is attached at Tab \_\_\_\_\_ or is not applicable (i.e., contractual issues not contributing to reconciliation problems) \_\_\_\_\_.
- H. \_\_\_\_\_ Other extenuating circumstances that helped obstruct resolution of this case are documented at Tab \_\_\_\_\_.
- I. \_\_\_\_\_ The financial closeout of contracts policy described in section C4.5. of DoD 5105.65-M does \_\_\_\_\_ or does not \_\_\_\_\_ resolve the issues impeding closure of this case. (Note: this item must be completed.) The reasons this policy does or does not resolve problems concerning this case and/or line are: (list separately here)

#### SECTION 4

The following actions and/or decisions are recommended by the proponent IA to the EXCOM:

Item	Recommendation (entry required in all fields)
Further research efforts	
Adjusted net case closure value (excludes CAS, LSC, Admin, and Accessorials)	
CAS value – entire case	
LSC value – entire case	
Admin value – entire case	
Accessorials value – entire case	
Total case closure value – entire case	
ULO value (ACCP only) – entire case	

Figure C6.F1. Request for Discontinued Research Approval and Case Closure Resolution,  
continued

## SECTION 5

I certify the above information to be accurate and correct, to the best of my knowledge.

Signature

Date Submitted

Name and Title of Authorizing Official (Typed)

List each Tab and/or Attachment separately

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## TO BE COMPLETED BY EXCOM ONLY

## SECTION 6

### EXCOM DECISION:

\_\_\_\_\_ Agree with all IA recommendations

\_\_\_\_\_ Agree with intent to resolve; IA recommendations are modified as shown below:  
(Insert table showing EXCOM differences from recommendations identified in  
Section 4, above.)

\_\_\_\_\_ Returned to IA for further action for the following reason(s): (Identify those  
reasons here.)

## SECTION 7

### EXCOM SIGNATURES:

DSCA (FPS and OPS-ADMIN)

OUSD (C, ODCFO, A&FP&A)

DFAS

ARMY

NAVY

AIR FORCE

Date of EXCOM Decision:

Date of Expected Case Closure (if applicable):

Date Force Closure Otherwise Occurs (if applicable):

C6.3.4.7. Case Presentation. During the EXCOM review, the following process shall be observed:

C6.3.4.7.1. The package originator must be present or send an alternate who fully knows the issues.

C6.3.4.7.2. At least four EXCOM members must be present to constitute a quorum; they shall be present for the entire meeting.

C6.3.4.7.3. The originator briefly highlights the key issues needing EXCOM resolution.

C6.3.4.7.4. Any EXCOM member may pose any question to get sufficient clarification.

C6.3.4.8. Decision Process.

C6.3.4.8.1. Each EXCOM member shall vote on the specific actions being recommended by the originator.

C6.3.4.8.2. Optimally, EXCOM members shall reach consensus on each decision. Where consensus or even a majority are lacking, the EXCOM Chair may make a final ruling. However, a lack of general agreement on a given action likely results in a request for additional information and/or time.

C6.3.4.8.3. Once the EXCOM has met to discuss the status of a particular request, a formal decision is sent to the originator within 30 days. That decision has the detailed EXCOM reply, including step-by-step actions that are allowed to fully resolve the issue preventing closure or successful resolution of the impacted FMS case(s) and/or line(s) until now.

C6.3.4.8.4. The EXCOM publishes Minutes of each meeting to fully document discussions and decisions.

C6.3.4.8.5. Actions prescribed by the EXCOM in the formal published decisions must be done in a timely manner by the proponent IA, DFAS, and other activities, as applicable. While the EXCOM makes the final decisions, the EXCOM members do not have the means to actually effect the requisite transactions to financially resolve the FMS case(s) involved. Accordingly, due dates for completion of actions accompany the individual actions noted by the EXCOM.

C6.3.4.8.6. The EXCOM monitors the status of resulting actions.

### C6.3.5. Conferences.

C6.3.5.1. DSCA FMS Case Reconciliation and Closure Conference. The DSCA conference is comprised of members from DSCA, the IAs, DFAS Denver, and the purchasers. This conference meets annually (usually during November and/or December). Discussions concern financial policy issues (current, pending, and proposed) impacting FMS case reconciliation and closure, and reconciliation issues throughout the case execution phase, SSC phase, and in preparation for closure. The EXCOM meets in conjunction with this conference. DSCA/OPS-ADMIN chairs this conference.

C6.3.5.2. MILDEP Conferences. At their discretion, the MILDEPs hold conferences to address reconciliation and/or closure issues at a more detailed level. (See Appendices 2-4 (forthcoming) for further details.)

C6.3.6. Write-Off Authority. (See Volume 15, Chapter 2, Section 0211 of reference (b).) A DoD Component that finds that unresolved reconciliation issues for a case exist may write-off those imbalances using the following guidelines:

C6.3.6.1. For PDs. Write-off authority exists for up to \$2,500 per transaction. (See Volume 3, Chapter 11 of reference (b) for an elaboration of the policies and procedures on PDs.) PDs greater than \$2,500 shall be brought to the attention of DSCA/FPS via the FMS EXCOM for resolution, if those PDs have not exceeded the timelines noted in section C2.12. of this Manual.

C6.3.6.2. For All Other Types of FMS Financial Transactions. Write-off authority exists for up to \$200 per transaction (for other than SDRs) and is charged against the FMS Administrative Charge Budget, object classification 42.3, "Supply Discrepancy Reports Charged for FMS Cases," for the amount required to effect prompt reconciliation as prescribed in the DSCA annual case review requirement (see Figures C2.F3. through C2.F5. of this Manual). For write-off adjustments done in support of readying a case for closure, DFAS Denver supplies DSCA/OPS-ADMIN with a quarterly summary of closure certificates received in which amounts have been charged IAW this policy. A comment shall be included in the remarks and/or comments section of the case closure certificate (see section C4.6.) when those write-offs are used.

### C6.4. PD RESOLUTION POLICY

Section C2.12. gives information on PD resolution.

### C6.5. SYSTEMS

Case execution, as well as case closure, is improved by ensuring that adequate information technology tools exist to help the CM complete "best case execution" practices. Improved case execution promotes better data integrity, increased responsiveness to the purchaser's informational needs, a more efficient use of DoD resources, and timely case closures. The following tools help with case closure

reconciliation and are applied throughout the IAs, DFAS Denver, and the DoD FMS case management community:

**C6.5.1 DIFS FMS Detail Delivery FK History Search.** The DIFS history search gives DIFS history details on delivery performance as well as progress payment performance ('NA' and 'ND' transactions, respectively). It supplies Reimbursement codes to verify Liquidating and Non-Liquidating detailed costs, DSCs, and Price Codes, as well as Stock Fund Add On, CAS, LSC, Accessorial, and Admin costs. The DIFS History Search may be used at closure reconciliation to manually compare what was recorded in DIFS and the MILDEP system at the case, line item, or detail and/or requisition level. The DIFS History Search is available electronically or in hardcopy in the format shown in Figure C6.F2., below. If electronic FK history is requested, an LSC report is required if LSC is applied to the case, since LSC is part of the transaction amount on the FK history. The performance transaction types may be identified as listed in Table C6.T3., below.

Figure C6.F2. FK History Search

## DIFS PRIMARY MENU

## SELECTION FUNCTION

C .... CASE CONTROL

F .... BUDGET

I .... CASE CLOSURE CERTIFICATE INVENTORY

N .... PERFORMANCE/FK HISTORY

S .... CASH

T .... FINANCIAL SUMMARY TOTALS

U .... DIFS TABLES

## PERFORMANCE REPORTING MENU

## SELECTION FUNCTION

1 .... INQUIRY - FK HISTORY TOTALS FILE

2 .... FK HISTORY SEARCH REQUEST

FDN1                      FK HISTORY SEARCH                      TRAN-CD JJ

COUNTRY BA    IA P    CASE AAA    RSN 001

DIC-SEL-CD    1            DOC-NBR-LST-8    \_\_\_\_\_    DOC-NBR-SFX  
 SRCH-OUTPUT-CD 6            MON-CD            \_            RIC  
 DSC            \_            REIMB-CD            \_            TBC  
 DT-SEL-CD    \_            DT-FROM            \_            DT-TO  
 DTC            \_            TYPE-ASSIST       \_            IFUND-BILL-NBR  
 MOS            \_            ICS            \_            PRC-CD  
 ARC            \_            VOU-NBR            \_\_\_\_\_    FILE-SEL-CD

NSN SEE NEXT 4 SUBFIELDS:

FSC \_\_\_\_\_

FIIN TYPE \_\_\_\_\_

FIIN SERIAL \_\_\_\_\_

MMC \_\_\_\_\_

NUMBER OF COPIES (1-9): 1    ATTENTION LINE: \_\_\_\_\_



Table C6.T3. DIFS History Search Performance Transaction Types

Document ID	Performance Transaction Type
FKA	Debit delivery performance resulting from an 'NA' transaction. 'NZ' SDR transactions
FKB	Credit delivery performance resulting from an 'NA' transaction. 'NZ' SDR transactions
FKC	Debit delivery performance administrative cost resulting from an 'NA' transaction.
FKD	Credit delivery performance administrative cost resulting from an 'NA' transaction
FKE	Debit delivery performance accessorial cost resulting from an 'NA' transaction.
FKF	Credit delivery performance accessorial cost resulting from an 'NA' transaction.
FKP	Debit WIP progress payment performance resulting from an 'ND' transaction.
FKQ	Credit WIP progress payment performance resulting from an 'ND' transaction.

C6.5.2. MOCAS. Additional information regarding MOCAS may be found in DLAM 8000.3, MOCAS Users Manual for Contract Administration, (reference (p)), which is found at: <http://home.dcma.mil/reference/Dlam8000/Dlam.htm>.

C6.5.2.1. Description. MOCAS provides a greater degree of automation in procurement and contract administration. MOCAS interactively gives information on invoices processed against DoD contracts that DFAS is responsible for paying. MOCAS pays invoices for hardware supplies and services using Electronic Data Interface to receive and store commercial invoices, requests for progress payment, and public cost vouchers. DFAS payment offices use MOCAS as the administration payment system.

C6.5.2.2. Use. MOCAS is a database system designed to supply:

C6.5.2.2.1. DCMA with information necessary to complete their mission for contract administration production and quality assurance.

C6.5.2.2.2. Management, financial, and inventory data to purchasers (services), buying offices, funding offices, and inventory managers.

C6.5.2.2.3. Payment to contractors or their designee.

C6.5.2.2.4. Disbursement information for DFAS.

C6.5.2.2.5. Reports to the MILDEP for transmission to the OSD, Treasury, or GAOs.

C6.5.2.2.6. Automatic closeout of contracts, as prescribed by reference (d).

C6.5.2.2.7. Maintenance of source documents for all the above.

C6.5.2.2.8. Obligation and payment histories at the detail level, which may be manually compared to the MILDEP system records. This is used during the case closure reconciliation to confirm the accuracy of final expenditures in the MILDEP systems.

C6.5.2.3. MOCAS Financial Subsystem. The financial subsystem is made up of distinct database records. These records have all the information necessary for the research and payment of an invoice. They include contract administration information, accounting line data, CLIN data, shipment data, invoice data, and financial history data. Table C6.T4. briefly describes these records.

Table C6.T4. MOCAS Financial Subsystem Data Elements

Basic Contract Data Record	Includes contractor name and address, type of contract, progress payment recoupment and/or liquidation rates, effective date, buying activity, etc. One record per contract.
Accounting Data Record	Includes the ACRN, Fund Code, Limit, all other long lines of accounting elements, ACRN obligation amount, ACRN ULO, accounting station, etc. One record per ACRN.
Contract Line Item Record	Includes the CLIN, quantities ordered, quantities shipped, quantities accepted, unit price, purchasing unit, inspection, acceptance sites, etc. One record per CLIN.
Shipment Schedule Record	Includes the CLIN, ACRN to be used for payment, ship-to and mark-for codes, scheduled delivery date, etc. There may be multiple shipment schedule records per CLIN record.
Shipment Record	Includes details on shipments made by the contractor. Includes shipment numbers, CLIN, quantity shipped, quantity accepted, date accepted, etc. One CLIN per record, multiple records per shipment number.

### C6.5.3. SCRT.

C6.5.3.1. Purpose. SCRT was developed as a tool to reconcile MOCAS paid contracts. A SCRT user's guide is located at:  
<https://dfas4dod.dfas.mil/systems/scrt/userguide.pdf>.

C6.5.3.2. Requirements. The data records must be maintained and used to verify if an adjustment was necessary. The Responsible Contract Reconciliation Agent (RCRA) documents the adjustment within the contract folder. Usually those records include (but are not limited to) contract Modifications, payment vouchers, and printouts of any retrieval used. A user must also have access as a SCRT reconciler to adjust SCRT.

C6.5.3.3. Adjustment Process. If an error is identified within either the MILDEP accounting system records or the MOCAS records and an adjustment is required, the RCRA must approve those corrections in SCRT. Once the adjustment is approved in SCRT, it is then interfaced with MOCAS where it updates MOCAS records. If properly done, the update to MOCAS creates a 1S1 and/or 1B1 transaction record that is passed to the Accountable Station to update the accounting system. There are a few exceptions to this process, most notably that new records may not be generated (a record that did not already exist) e.g., a new contract may be added to SCRT but a payment may not be posted to a contract that never had a payment posted to it.

C6.5.4. EDA. EDA uses the Internet to provide the Department of Defense on-line access to share, store, and retrieve contracts and other documents electronically. EDA offers read-only access to official contracts, contract Modifications, vouchers, GBLs, and accounting and finance documents. EDA provides one common file format that eliminates the need to maintain hard copy files, reducing the need to print, mail, file, and manage paper. EDA is a means to access a contract or a contract Modification using the Internet for viewing purposes only. An instruction manual is located at  
<http://www.dfas.mil/system/edstar/trmgguid.htm> as well as the Internet sites  
<http://www.dfas.mil/system/edstar> or <http://ogden.disa.mil>.

C6.5.5. Shared Data Warehouse (SDW). SDW provides a central repository of uniform data for shared access to support the DoD network. SDW is a database updated daily with MOCAS transaction data. SDW is a query-only web site and requires a User-ID and password. A new SDW called DFAS Corporate Warehouse is being developed for the DFAS Corporate Database (DCD). SDW receives file transfers of contract awards and Modifications. The web address is:  
<http://widow.cols.disa.mil/sdwprd/QUOPT.HTM>

C6.5.6. Contract Reconciliation System (CRS). CRS is similar to SCRT, with a few significant differences. Only DFAS is able to input into CRS. CRS may be used to directly update MOCAS and, unlike SCRT, the limitation on new records does not exist. There are defined requirements for CRS adjustments. More information is located at:  
<https://dfas4dod.dfas.mil/systems/crs/>.

C6.5.7. Security Cooperation Information Portal (SCIP). The SCIP assembles corporate information from FMS legacy systems, CISIL, Security Assistance Management Information System, CMCS, MISIL, DSAMS, and (indirectly) DIFS, and gives that consolidated information to the purchaser and DoD users in a common format. SCIP provides a secure avenue for information exchange and data assurance. It is an information solution pending Case Execution Management Information System development. The secure web site for authorized users is: <https://www.scportal.us/portal>.

C6.5.8. Other Internet Links. Table C6.T5., below, lists other Internet links.

Table C6.T5. Internet Links

DCMA CMT Locator	<a href="http://alerts.dcmdw.dema.mil/srk/owa/alerts.cmtlocator">http://alerts.dcmdw.dema.mil/srk/owa/alerts.cmtlocator</a>
USG Regulations	<a href="http://www.regulations.gov">http://www.regulations.gov</a>
DSCA	<a href="http://www.dsca.mil">http://www.dsca.mil</a>
OUS(D)	<a href="http://www.dod.mil/comptroller">http://www.dod.mil/comptroller</a> .
DFAS	<a href="http://www.dfas.mil">http://www.dfas.mil</a> and <a href="https://dfas4dod.mil">https://dfas4dod.mil</a>
Other Useful Links	<a href="http://www.dsca.mil/links.htm">http://www.dsca.mil/links.htm</a>

C6.5.9. Future Systems.

C6.5.9.1. DCD. When deployed, DCD shall be a web-based database used by all the Department of Defense. It shall standardize data and processes across the Department of Defense. Pre-validation shall be automatic and there shall be no UMDs or NULOs. DCD shall provide for the access of historical data kept in electronic folders by authorized personnel, meet all criteria required by law, and complete transactional updates to the U.S. Standard General Ledger. The DCD shall be the 'hub' of the DFAS and DoD electronic portfolio. More information is located at: <https://dfas4dod.dfas.mil/systems/dcd/>.

C6.5.9.2. Web Invoicing System (WinS). WinS allows vendors to electronically submit their invoices through the web using <https://ecweb.dfas.mil/notes>. A vendor with Internet access shall be able to access this web site, prepare, and submit an invoice for payment. The Integrated Accounts Payable System (IAPS) shall regularly check the web site for invoices and, during the end of day processing, shall automatically post all submitted invoices to IAPS. WinS shall eliminate lost invoices as well as slow mail problems. It shall also notify the vendor of the acceptance and posting of his or her invoice in IAPS.

C6.5.9.3. Wide Area Work Flow (WAWF). WAWF is a paperless application to eliminate paper from the receipt and/or acceptance and invoice and/or payment process of the DoD contracting life cycle. WAWF shall give Government contractors and authorized DoD personnel the ability to generate, capture, and process payment related documentation via interactive web-based applications. Besides supporting the paperless initiative, WAWF provides global accessibility, accuracy of documents, and secure and auditable transactions. Additional information is available at <https://wawftraining.eb.mil>.